

NORTH CAROLINA

DECLARATION OF RESTRICTIVE COVENANTS
AND RESTRICTIONS AGREEMENT AFFECTING
MOUNTAINVIEW ESTATES.

ASHE COUNTY

Plat Book 5, Page 354
West Jefferson Township

THIS DECLARATION, made on the 12th day of October, 1995, by Mountainview Farm II, L.L.C., a North Carolina limited liability, hereinafter referred to as "Declarant."

WITNESSETH

WHEREAS, Declarant is the owner of certain real estate located in West Jefferson Township, Ashe County, North Carolina, which is more particularly described as follows:

BEING ALL of the lots shown and described on the plat of Mountainview Estates, Phase I, as recorded in Plat Book 5, Page 354, Ashe County Registry, reference to said plat being hereby made and incorporated herein by reference.

NOW, THEREFORE, Declarant hereby declares that all of the property described above shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each owner thereof:

1. The owners of any granted tract or tracts agree that at such time as a property owner's association may be formed that ever property owner shall become a member of the same, whether a non-profit association or corporation, to be organized under the laws of the State of North Carolina. The purpose of the said property owners' association shall be to promote the property owners' and the property, to enforce these covenants, and to maintain the common properties and roads and easements within the development; to fix, levy and collect payment of charges and assessments, to pay expenses in connection with the property owners' association and such other purposes as may be set forth in any articles of incorporation and by-laws of the property owners' association.

2. Every person or entity who is a record owner of a fee or undivided fee interest in any tract which is subject by covenants or record to assessment by the association, including contract sellers, shall be a member of the association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of any tract which is subject to assessment by the association. Ownership

of such tract shall be the qualification for membership. Members shall be entitled to one vote for each tract in which they hold the interest required for membership.

3. All building lots shall be used for single-family residential lots only. No commercial buildings, schools, churches or other buildings for public use shall be placed on any lot. No part of said premises shall be used or occupied injuriously as to affect the use, occupation or value of the adjoining or adjacent premises for residential purposes, or the neighborhood wherein said premises are situate.

4. No mobile homes or house trailers shall be permitted on the subject premises.

5. No building shall be erected upon the granted premises which has cinder blocks or concrete blocks visible from the exterior of such building, nor shall any building be erected thereon with exterior asphalt or asbestos siding. All house or buildings shall be constructed of new materials unless approved by Developer.

6. No building shall be erected upon the granted premises which is closer than twenty (20) feet from the street right of way or closer than ten (10) feet from the property line of any other adjoining tract as to Lots 1, 2, 3, 4, 5, 6, 7, 8 and 14 as shown on the aforementioned plat..

7. The ground floor area of the main structure of a residential home to be constructed on any lot, exclusive of one-story open porches, garages and other nonheated areas shall not be less than 1,000 square feet in the case of a one-story structure and not less than 800 square feet of ground floor area in the case of a 1 1/2, 2 or 2 1/2 story structure as to Lots 1, 2, 3, 4, 5, 6, 7, 8 and 14 as shown on the aforesaid plat.

8. When the construction of a building is commenced by the owner of any lot or tract in said development, the exterior construction of said building shall be completed within twelve (12) months from the date construction is started.

9. No unsightliness shall be permitted on any of the tracts and said premises shall not be used or maintained as a dumping ground or storage area for junk or inoperable motor vehicles, rubbish or trash, and in order to maintain the natural beauty of the area, all residents and owners shall comply strictly with the following provisions:

a. No tract shall be used or maintained as a dumping ground for rubbish. Trash, garbage and other waster shall not be kept, except in sanitary containers. Approved incinerators or other equipment for the storage or disposal of such material shall be kept in a clean, dry and sanitary condition. No outside rubbish burners shall be allowed. Individual owners must haul garbage off their tract within a reasonable time.

b. No unlicensed motor vehicles, including cars, buses, tractors, trailers, and all other parts thereof that are not in normal running condition and in average use shall be kept on any of the within described real property except within an enclosed structure; it being specifically understood that this covenant is to prohibit and forbid the keeping of any wrecked motor vehicles not in normal public use and operation and any other like parts of the debris upon the within described property, except for occasional necessary repairs in building; and

c. Any unsightly equipment and material including garden and maintenance machinery and equipment, garbage cans and sanitary containers, lumber and construction materials and any other like equipment and materials shall be kept at all times, except when in use, in an enclosed structure which shall be properly painted and maintained in good condition. Refuse, garbage and trash shall be kept at all times in a sanitary container and such container shall be kept within an enclosed structure. No lumber, grass, shrubs, tree clippings, paint waste, metals, bulk materials, scrap, refuse or trash shall be kept, stored or allowed to accumulate on any of the within described property.

10. Sewage disposals shall be affected by means of individual septic tanks. All septic tanks and disposal fields must be approved by the appropriate county Department of Health. No cesspool or outside toilets shall be permitted.

11. The association, or any owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration. Failure by the association or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

12. Each and all of the restrictions set forth herein shall be enforceable by injunction or by other causes of action available to any owner of a tract, or to the association or its successors and assigns. Invalidity of any restriction by judgment or court order shall in no way affect any other restriction, and all other restrictions shall remain unmodified, in full force and effect.

13. The covenants and restrictions of this Declaration shall run with and bind the land and shall inure to the benefit of and be enforceable by the Association, or the owner of any tract subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of fifteen (15) years from the date of this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of five (5) years. The covenants

and restrictions of this Declaration may be amended by an instrument signed by a majority of the member of the Board of Directors of the Association.

This the 12th day of October, 1995.

MOUNTAINVIEW FARM II, L.L.C.

By: *Ronald V. Turner* (SEAL)
Ronald V. Turner, Managing Member

NORTH CAROLINA

WILKES COUNTY

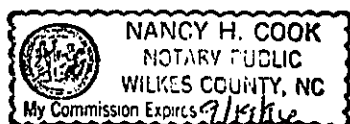
I, Nancy H. Cook, a Notary Public in and for the aforesaid County and State, do hereby certify that Ronald V. Turner, managing member of Mountainview Farm II, L.L.C., a North Carolina limited liability company, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official stamp and/or seal, this the 12th day of October, 1995.

Nancy H. Cook
Notary Public

My Commission Expires:

9/19/96



NORTH CAROLINA, ASHE COUNTY

The foregoing certificate(s) of NANCY H. COOK,
A NOTARY PUBLIC OF WILKES COUNTY, NC

is (are) certified to be correct. This instrument was presented for registration this day and hour and duly recorded in the office of the Register of Deeds of Ashe County, North Carolina in Book 209, Page 997-1000
This 4TH day of DECEMBER A.D., 1995 at
11:40 o'clock A M.

SHIRLEY B. WALLACE

SHIRLEY B. WALLACE
Register of Deeds

Ann M. Woodie Asst